UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA,

v. 15 Cr. 643 (PKC)

JASON GALANIS, JOHN GALANIS,
JARED GALANIS, GARY HIRST,
DEREK GALANIS and GAVIN
HAMELS,

Defendants.

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New York, N.Y.
January 15, 2015
12:25 p.m.

Before:

HON. P. KEVIN CASTEL,

District Judge

APPEARANCES

PREET BHARARA
United States Attorney for the
Southern District of New York
BRIAN BLAIS
REBECCA MERMELSTEIN
ANDREW BAUER
Assistant United States Attorneys

MURPHY, PEARSON, BRADLEY & FEENEY
Attorneys for Defendant Jason Galanis
BY: THOMAS P. MAZZUCCO

JOHN GALANIS, Pro se

MURPHY, PEARSON, BRADLEY & FEENEY
Attorneys for Defendant Jared Galanis
BY: JAMES A. LASSART

LAW OFFICE OF ANTHONY J. BRASS
Attorneys for Defendant Derek Galanis
BY: ANTHONY J. BRASS

SHER TREMONTE LLP
Attorneys for Defendant Hirst
BY: MICHAEL TREMONTE

LEVINE LEE LLP
Attorneys for Defendant Hamels
BY: JILLIAN B. BERMAN
SETH L. LEVINE

ALSO PRESENT: DAVID TOUGER, CJA standby counsel for John Galanis
KEVIN RYAN, standby counsel for John Galanis

(Case called)

THE DEPUTY CLERK: Is the government ready?

MR. BLAIS: Good afternoon, your Honor. Brian Blais, Rebecca Mermelstein, and Andrew Bauer for the government.

THE COURT: Hello to each of you. I guess it is the afternoon.

MR. MAZZUCCO: Good afternoon, your Honor. Thomas Mazzucco on behalf of Jason Galanis who is present.

DEFENDANT JOHN GALANIS: John Galanis appearing pro se.

MR. LASSART: Good morning, your Honor. James Lassart appearing on behalf of Jared Galanis.

MR. TREMONTE: Good afternoon, your Honor. Michael Tremonte for Gary Hirst whose presence has been excused today.

MR. BRASS: Anthony Brass for Derek Galanis. Good morning -- or good afternoon, your Honor.

THE COURT: Good afternoon.

MR. RYAN: Good afternoon, your Honor. Kevin Ryan on behalf of standby counsel for John Galanis.

THE COURT: All right. And also present is David Touger from the Court's CJA panel. Thank you for coming, Mr. Touger.

MR. TOUGER: No problem.

THE COURT: First order of business -- I'm sorry. I see more of your colleagues.

MR. LEVINE: Seth Levine and Jillian Berman for Gavin Hamels who has been excused.

THE COURT: Good afternoon to you both.

First order of business, at the last session we held in this case, at least with Mr. John Galanis, I concluded that Mr. Galanis knowingly and voluntarily waived his right to counsel and had the right to proceed pro se, as was his desire and I continued Mr. Ryan as standby counsel.

At that same session I offered to appoint standby counsel under the Criminal Justice Act and Mr. John Galanis respectfully declined to complete the CJA affidavit at that time; correct?

DEFENDANT JOHN GALANIS: That is correct, your Honor.

THE COURT: I received a letter from Mr. Galanis in which he says, "Now back at home in San Diego I conducted a further review of the matter and now believe I can execute the requested financial form which would demonstrate that I am without the financial resources to retain counsel. Therefore, I am requesting the Court conduct a hearing on January 15, 2016, or such other date that is convenient for the Court, to consider my request for a federal public defender or CJA counsel."

The letter was not docketed and I'm going to direct the clerk to cause your letter to be docketed.

Mr. Galanis, I have now tendered to you a CJA form affidavit.

DEFENDANT JOHN GALANIS: Yes, your Honor.

THE COURT: Do you wish to complete the affidavit at this time and I will conduct an inquiry?

DEFENDANT JOHN GALANIS: I do wish, unfortunately regarding the specifics of it, I have that material available to me but not -- not here at the moment. I can -- in other words, it requires income received in the last year.

THE COURT: Well, Mr. Galanis, so there is no doubt here, you were provided a copy of the affidavit at the last session --

DEFENDANT JOHN GALANIS: Yes, your Honor.

THE COURT: -- before you wrote me the letter that you wrote.

DEFENDANT JOHN GALANIS: That is correct, your Honor. What I did not know when I wrote my letter, I did not realize, because I had not heard back from the Court, I did not realize that you had graciously -- and I really appreciate it -- have counsel available for me today.

THE COURT: What if I didn't? Would that change your willingness to sign the affidavit?

DEFENDANT JOHN GALANIS: No, I'm perfectly prepared to sign the affidavit, your Honor.

THE COURT: Then I will give you the time to do so.

DEFENDANT JOHN GALANIS: Thank you, your Honor.

MR. TOUGER: If I may?

THE COURT: Yes, Mr. Touger.

MR. TOUGER: He can have the paperwork emailed to the Court by Tuesday.

THE COURT: No. No, Mr. Touger, because I sat in this courtroom on the bench and I tendered a CJA affidavit to Mr. Galanis. I gave him as much time as he needed to review it and Mr. Galanis respectfully declined to do so and he told me he needed to consult records that were located in San Diego. I gave him the opportunity to do so and after a recess in the proceedings he reported to me that he was declining to sign the CJA affidavit, as is his right.

So, we have been down this path. Mr. Galanis has waived his right to counsel.

Now, let me ask you, Mr. Galanis; there is an ambiguity in your letter. When we were last present you indicated to me that you wished to waive your right to counsel; is that correct.

DEFENDANT JOHN GALANIS: That is correct, your Honor.

THE COURT: Okay.

And I appointed standby counsel, Mr. Ryan, and I offered to appoint a second standby counsel under the Criminal Justice Act.

DEFENDANT JOHN GALANIS: Correct, your Honor.

THE COURT: What is not clear to me in your letter is do you no longer wish to represent yourself?

DEFENDANT JOHN GALANIS: That is correct, your Honor.

THE COURT: So you have changed your view.

DEFENDANT JOHN GALANIS: I do. Based on -- I'm sorry I was not clear but in large part it was based on your admonitions to me during your interview that I believe was specifically a -- someone who represents himself has a fool for a client.

THE COURT: All right.

Well, what I would be delighted to do for you is to put this matter over until this afternoon to give you the opportunity to complete the affidavit because you can't have it every which way, Mr. Galanis. You can't assert the right to represent yourself. You can't say you want counsel appointed but not fill out the affidavit and you can't consciously refrain from retaining a counsel.

So, you can have retained counsel, you can have appointed counsel, or you can represent yourself. The one thing you can't do, Mr. Galanis, is hold this in limbo. You have forfeited your right to counsel and you waived it at the last session. If you wish to have counsel appointed, I will expect you to return with a completed affidavit and I will conduct the examination.

Flo, can we do it at 2:00?

THE DEPUTY CLERK: Yes.

THE COURT: Would 2:00 be convenient for you, Mr. Galanis?

DEFENDANT JOHN GALANIS: Yes, your Honor.

THE COURT: Mr. Touger?

MR. TOUGER: That's fine, your Honor.

THE COURT: Thank you very much.

All right. Until such time as Mr. Galanis has an attorney who enters a notice of appearance or complies with the requirements for appointment of counsel under the Criminal Justice Act, his waiver of the right to counsel stands and he represents himself.

Now, let me get an update from the government on where things stand in the case.

MR. BLAIS: Thank you, your Honor.

With respect to the government's discovery productions, as we represented to the Court at the arraignment, we have produced discovery on a rolling basis. We have made, since the arraignment, four discovery productions which I think substantially completes the production of materials that we are able to produce at this time. Your Honor is aware that there is some materials that are the subject of under seal litigation at this point and we obviously, given that that litigation is ongoing of --

MR. MAZZUCCO: Your Honor, I object to the reference to any matter that is under seal.

THE COURT: Sit down, please.

MR. BLAISE: And with respect to the materials that are the subject of that litigation, we have not produced them because the litigation is ongoing.

So, our discovery production is substantially complete with respect to materials that we have concluded we are able to produce on this matter and is not complete with respect to those additional materials.

THE COURT: Let me ask you. Have you made any application in this proceeding?

MR. BLAIS: Made any application with respect to?

THE COURT: With regard to the sealed documents?

MR. BLAIS: We have, your Honor. We made an application for a sealing order -- I'm sorry, a protective order which was granted and there were other applications that were made with respect to that protective order.

THE COURT: Well, I entered a protective order. Is that what you are referring to?

MR. BLAIS: That's correct, your Honor.

THE COURT: Right.

MR. BLAIS: And then there is ongoing litigation in another district, your Honor, with respect to these materials.

THE COURT: Have you made an application in that district?

MR. BLAIS: We have, your Honor.

THE COURT: All right.

Well, I think it's incumbent upon the parties -- let me ask counsel for Jason Galanis, have you made an application in another district?

MR. MAZZUCCO: Your Honor, we are filing a response to an application in another district that was filed by the government and prior to that we did make an application; yes, your Honor.

THE COURT: Was your application ruled on?

MR. MAZZUCCO: Our application was ruled on, yes.

THE COURT: Was it granted or was it denied?

MR. MAZZUCCO: It was granted.

Excuse me, strike that, your Honor. I apologize.

Our application was denied but there is a ruling from another Court that is the government has filed another motion based upon that, and when I mean government I mean another U.S. Attorney's office.

THE COURT: Have you made application in this other district?

MR. MAZZUCCO: In the Southern District? No.

THE COURT: Outside of the district?

MR. MAZZUCCO: We did initially; yes, your Honor.

THE COURT: Was that ruled on?

MR. MAZZUCCO: It was ruled on.

THE COURT: Do you care to furnish a copy of that ruling to me?

MR. MAZZUCCO: I don't have it with me but I told Mr. Blais told that he would have a copy of the ruling and it was sent to another U.S. Attorney's office and I'm not in charge of handling how things go to other U.S. Attorneys, so I apologize.

THE COURT: When did you get this ruling?

MR. MAZZUCCO: December 23rd.

THE COURT: Well, I tell you what. Why don't you fax that to me so I get it by 2:00 today.

MR. MAZZUCCO: Will do so, your Honor.

THE COURT: Was there a particular reason why you didn't furnish it to me?

MR. MAZZUCCO: Your Honor, it was supposed to be furnished to the government. They were the initial moving party.

THE COURT: I thought you just told me you made an application, sir.

MR. MAZZUCCO: We made an application. The order -- there was a response from the government, another U.S. Attorney's office did respond, and we would assume that they received it as we have received it.

THE COURT: No. Let's go back to the question.

Do you remember the question I asked you?

MR. MAZZUCCO: I do, your Honor.

THE COURT: Okay, and what is the answer?

MR. MAZZUCCO: We did not serve that upon the government. We received --

THE COURT: I don't think that was the question I asked.

Do you have the question I asked, Pam?

OFFICIAL REPORTER: Yes, your Honor.

(Record read)

THE COURT: Is there a particular reason why you informed me of the application you made in the other court but you didn't inform me of the ruling on the application?

MR. MAZZUCCO: Your Honor, the letter that was sent to you yesterday, there was -- you were informed, if I'm not mistaken -- I was on an airplane yesterday -- your Honor, I don't feel comfortable discussing this matter in open court based upon another sealed matter. At this time I ask that this matter be handled *ex parte*, along with the government, under seal, outside the presence of the other defendants.

THE COURT: You can't answer the question why you told me you were making an application but you didn't tell me that the application was ruled on.

MR. MAZZUCCO: It's my understanding, your Honor -- again, I feel uncomfortable talking about this in open court based upon an under seal matter. I can answer your question if we do so with the government, myself, and your court staff, outside the presence of the other defendants and I can answer your question directly then.

THE COURT: All right.

Come on up to the side bar. I would just like to hear the answer to the question.

MR. MAZZUCCO: Thank you, your Honor.

(Pages 14-16 SEALED by order of the Court)

(In open court)

THE COURT: I think it is absolutely ridiculous but for the moment I will seal the side bar and I reserve the right to lift the seal at any point in time. This is public litigation, this is a public proceeding, and it is going to stay a public proceeding.

Now, when would you care to file your motion to dismiss?

MR. MAZZUCCO: Your Honor, if you set a briefing schedule for us we will follow that.

THE COURT: Okay.

MR. MAZZUCCO: Although -- that's fine.

THE COURT: January 29th for the motion; response due February 10; reply due February 17.

What else do we need to do today?

MR. BLAIS: Your Honor, I believe the purpose of today's conference, in addition to just providing a general update, was for defense counsel to also advise the Court of any motions that they wish to file and to set a schedule for those matters.

THE COURT: All right. Any motions anyone wishes to file?

MR. LASSART: Your Honor, James Lassart on behalf of Jared Galanis.

Your Honor, at this time I don't believe I am in a position to be able to advise the Court of a motion because we have received approximately 2 million pages of documents, some of which we have not been able to review, plus I know there is some additional half a million pages of documents that are still coming and I don't know if this is also the time to bring this up but -- let me finish that.

So, I am not in a position to be able to advise the Court of any motion on behalf of my client until I have a good opportunity to review those documents and I can tell the Court that we are doing it diligently and cooperating with counsel to try to set up a database that's reviewable by more than just us. But, I find that we are jamming time and capacity in the sense that it is really significant information. It is necessary for us to be adequately prepared to both do motions as well as to defend the matter.

THE COURT: As to what you know so far you have no motions?

MR. LASSART: Well, as to what I know so far and some of which had become today on a Rule 17 subpoena that the Court issued and the return date is today, and that's a procedure I am unfamiliar with how we would receive those documents. I can show the Court the return service, that will help us make a decision about whether or not we have a motion to dismiss a particular count within the indictment.

It is a -- that's one of the issues out there for us.

THE COURT: All right.

Let me hear from anyone else that has any motions they wish to make in this case.

MR. TREMONTE: Your Honor, Michael Tremonte for Mr. Hirst.

We have a similar situation. There was an initial, very, very large production that was made some time ago by the government which the government described at our prior status conference. We got that in a timely fashion and we have been making efforts very consistently and diligently since then but on top of that, in the intervening weeks, we have received, I think, four additional productions of discovery which alone total over a million documents including 400,000 just this past week so we, too, we don't have motions to make as of today, your Honor, but we would like additional time to evaluate the discovery that the government has produced in recent weeks and revisit that question.

THE COURT: How much time are you looking for?

MR. TREMONTE: I think we need at least another month, your Honor.

THE COURT: Well, I think you are pushing it. Let's see when we have time, however.

Flo? This is what I will do. I will give all defendants until February 15th to file any motions they wish to file; the government will have until March 4th to respond to the motions; and the defendants may reply by March 11 and I will rule on them at the final pretrial conference.

MR. LASSART: Your Honor, I took the Court's request or question regarding motions as those motions that were substantive with regard to the facts of the case and the propriety of the indictment. I did not take it as a question as a procedural and the reason I am so -- rather than let this time pass, I believe we would request a motion to continue this trial because it -- and if, obviously, I believe, based on the lack of ability to prepare that we have excludable time and that it is time necessary for preparation. Now, if that's a motion that that Court was envisioning within the request, then that's a motion that we do have to make.

THE COURT: All right. But if you have to make that motion you don't need more time to make that motion.

MR. LASSART: Absolutely.

THE COURT: So, are there any motions? The record is any motions that you wish to make in this case that you know of as of now. You have identified one. Is that it?

MR. LASSART: The motion to continue plus the motions I am unable to identify that I have explained to the Court.

THE COURT: All right. So, how long will it take you to make your motion?

MR. LASSART: To continue the matter?

THE COURT: Yes.

MR. LASSART: We can do that within a couple weeks, within a week or so.

THE COURT: How about a week?

MR. LASSART: That sounds like a -- sure.

THE COURT: The government can respond in a week?

MR. BLAIS: Yes, your Honor.

THE COURT: And you can reply three days later. Okay?

MR. LASSART: Yes, your Honor.

MR. TREMONTE: Your Honor, Michael Tremonte again.

I don't want to assume anything. We are likely to join that motion and I am asking permission to make it, if such permission is required.

THE COURT: No permission is required. You can go ahead and make it on the same schedule.

MR. TREMONTE: Thank you, your Honor.

THE COURT: Any other defendant have any motions they wish to make?

MR. LEVINE: Your Honor, for Gavin Hamels, we ask for the schedule that you have already set of February 15th to allow us to finalize what motions we will be filing.

I also have one question for the Court. I know the Court has set February 19th as the date for government to file motions *in limine*.

THE COURT: Correct.

MR. LEVINE: Just so we are clear in response to any motions our response to that motion, their motions will be after, obviously, the stay.

THE COURT: Right.

MR. LEVINE: I want to make sure I understand the stay order.

THE COURT: I thought I set a schedule on the motions *in limine*. I believe I did.

MR. BLAIS: Yes, your Honor. It was the request.

MR. LEVINE: You did, your Honor. I want to make sure that when we are talking about motions, for example we may have motions *in limine* after seeing the government's.

THE COURT: Very fair point. Very fair point and thank you for clarifying that.

I should also state that with regard to the motion for a continuance which is due January 22nd, and I mention that the government's opposition is due or its position is due January 29th, a week later, I will also set January 29 as the date for any party who opposes the continuance or the exclusion of time to make a written submission regarding therewith.

John Galanis, do you understand what I have said?

DEFENDANT JOHN GALANIS: I do, your Honor. I understand.

THE COURT: Thank you.

Okay, anything else?

MR. BLAIS: Your Honor, we have just one minor issue to raise.

THE COURT: Yes.

MR. BLAIS: And your Honor may perhaps want us to address this in writing but it is an agreed upon bail modification with respect to Derek Galanis. We are more than happy to put it in writing if that would facilitate it.

THE COURT: I think in writing works because if it is agreeable, then I can enter it as an order of the Court and we have a written record.

Does that work for you, sir?

MR. BRASS: It does. Sorry, your Honor. Anthony Brass for Derek Galanis.

For clarification on the motion to continue, which I also intend to join, is there a hearing date on that?

THE COURT: No.

MR. BRASS: Okay. It will just be on the papers.

THE COURT: It would seem so, unless there is something I need. All right?

Yes, sir, Mr. Touger? I am going to see you at 2:00.

MR. TOUGER: We are already done, your Honor. Mr. Galanis is ready to sign the form now if the Court wants to do it now.

THE COURT: We can do that. We can do that, if Mr. Galanis is prepared.

DEFENDANT JOHN GALANIS: I'm just a short time from finishing, your Honor; five or 10 mines.

THE COURT: Take your time. We don't need to come back at 2:00 but I want -- Mr. Galanis. This is an important document. I want to make sure that it is right so I want to give you the time that you need.

DEFENDANT JOHN GALANIS: Thank you, your Honor.

THE COURT: We are adjourned as to everyone other than John Galanis unless there is something else that anybody who wants, to bring it to my attention.

MR. LASSART: Your Honor, James Lassart on behalf of Jared Galanis.

I do have a question on the Court's proceeding on returns on that Rule 17 subpoena. It was returnable to the Court and I don't know, in this district, where that would be located once it is returned.

THE COURT: Well, if the materials are returned to the Clerk's office they will make their way to my chambers. If they're sent directly to my chambers they'll be received there. When I receive them -- this is not a trial subpoena, correct? It is a discovery subpoena?

MR. LASSART: No, it is not a trial subpoena.

THE COURT: So, it is appropriate that all counsel in the case have access to it, correct?

MR. LASSART: Yes, your Honor.

THE COURT: That's fine. So, I have no idea what the volume is. I may say it is not available for pickup. We will see what happens. If it is three sheets of paper I probably could have my clerk do something simple with it. If it is a box, it is a different story.

MR. LASSART: Thank you, your Honor. I just didn't know how it works here.

THE COURT: There you go. What else?

MR. LASSART: Nothing more here.

THE COURT: Okay. And time has been excluded until the trial date.

MR. BLAIS: Time has been excluded through the trial date, your Honor.

THE COURT: Thank you all very much, and if the government and Mr. Galanis can remain behind, I would appreciate that, and Mr. Ryan also, and Mr. Touger. And john Galanis, of course. Thank you.

(Recess)

THE COURT: All right. Please, be seated. This is United States of America against John Galanis. Is the government ready?

MR. BLAIS: Yes. Good afternoon, your Honor. Brian Blais for the government.

THE COURT: All right.

And Mr. John Galanis, are you ready?

DEFENDANT JOHN GALANIS: I am, your Honor.

THE COURT: And also present is David Touger from the Court's CJA panel.

Mr. Galanis, have you had enough time to review the proposed financial affidavit?

DEFENDANT JOHN GALANIS: I have, your Honor.

THE COURT: Have you completed it?

DEFENDANT JOHN GALANIS: I have, your Honor.

THE COURT: Mr. Touger, if you would please hand it up?

(pause)

THE COURT: Mr. Galanis, I am going to have the clerk administer the oath to you and then I am going to ask you certain questions. If you don't understand anything I ask you, please, let me know and I will put it into different words. Also, if you wish to speak with Mr. Touger I will give you the opportunity to do that.

Do you understand that?

DEFENDANT JOHN GALANIS: I do. Thank you, your Honor.

THE COURT: Please stand and the clerk will administer the oath.

(Defendant John Galanis sworn).

THE COURT: You are now under oath and your answers to my questions are subject to the penalties of perjury or of making a false statement if you do not answer truthfully. Also, any statement you make today may be used in any such prosecution.

Do you understand all that?

DEFENDANT JOHN GALANIS: I do, your Honor.

THE COURT: Now, you are asked a question: Have you received, within the past 12 months, any income from a business, profession, or other form of self-employment or in the form of rents, payments, interest, dividends, retirement or annuity payments or other sources, and then there is a portion here that says, if yes, give the receipt.

Now, I notice and I take this as just inadvertent that you did not check either the box yes or no. Am I correct that you intended to check yes?

DEFENDANT JOHN GALANIS: That was inadvertent and I am willing to correct that.

THE COURT: To say?

DEFENDANT JOHN GALANIS: To say yes.

THE COURT: That's what I thought.

Now, it indicates that in the past 12 months you have received, it looks like, $380,000.

DEFENDANT JOHN GALANIS: That is correct, your Honor.

THE COURT: Why then can you not afford counsel? That's a sum of money which, I would say -- particularly I am looking at your expenses -- vastly exceeds your rent and your monthly credit card bill. And I realize that you have indicated, quite appropriately, "approximate" on those numbers but the number which I cited vastly exceeds, even on an annual basis, your total debt.

DEFENDANT JOHN GALANIS: Your Honor, the basic numbers I have given you are for 2015 as it states for the 12 months. The numbers -- what is not included is the disbursement of money during that period of time. It asked for my debts and my income and during that period of time I also assisted my wife in her -- whatever debts and responsibilities she had and I also assisted my sons, and then I had legal expenses during that period of time so most of it went in that manner.

THE COURT: Well, this appears to reflect the opposite, a gift from your son of $115,000.

DEFENDANT JOHN GALANIS: That is correct. That's my eldest son, your Honor.

THE COURT: All right. And so, I still don't understand what of this $380,000 do you still have other than the $300 which you claim you have in accounts.

DEFENDANT JOHN GALANIS: That's in cash, your Honor. I have -- it is $100 in account and $200 in cash.

THE COURT: Do you have any other accounts, brokerage accounts, securities accounts of any sort that has assets of yours?

DEFENDANT JOHN GALANIS: No, I do not, your Honor.

THE COURT: Okay. So, what assets do you have beyond the $300 in the savings or checking account?

DEFENDANT JOHN GALANIS: I don't have any, your Honor.

THE COURT: And so you are representing to the Court that with the exception of the $300, the $380,000 that you received in the past 12 months, you no longer have.

DEFENDANT JOHN GALANIS: That is correct, your Honor.

THE COURT: Now, Mr. Galanis, I should tell you that you will likely have to repay the amounts for your CJA attorney and that the Court will likely impose an obligation for you to repay.

Do you understand that?

DEFENDANT JOHN GALANIS: I understand that, your Honor.

THE COURT: And the Court may, at any time, impose an installment payment plan on this.

Do you understand that?

DEFENDANT JOHN GALANIS: I do, your Honor.

THE COURT: Now, I have one question here. It says, looks like the word "fiduciary guaranty." Is that what it is?

DEFENDANT JOHN GALANIS: It is, your Honor.

THE COURT: Now, there are two words before that, what are they?

DEFENDANT JOHN GALANIS: It is actually one word, your Honor: Thorsdale.

THE COURT: Thorsdale. Thorsdale Fiduciary Guaranty. Who or what is that.

DEFENDANT JOHN GALANIS: That is a company that I believe is owned or controlled by my eldest son Jason.

THE COURT: Is that a return on an note investment or is that --

DEFENDANT JOHN GALANIS: No. I believe it is a personal trust company and that he had disbursed money to me for use of myself and my wife during 2015.

THE COURT: And you have an arrow here, it says unlikely in 2016.

DEFENDANT JOHN GALANIS: Correct.

THE COURT: Was Thorsdale, are they obligated to pay you any money in 2016?

DEFENDANT JOHN GALANIS: No, they are not, your Honor.

THE COURT: Okay. And was there some obligation associated with this on the part of the institution?

DEFENDANT JOHN GALANIS: No. It was only familial, your Honor.

THE COURT: All right. Well, let me return this to you so you can correct that minor omission and re-review it and see whether it is now accurate.

And, Mr. Touger, are you prepared to accept the appointment?

MR. TOUGER: Your Honor, I am prepared to accept the appointment but I would ask the Court, just from my being here at the last court appearance, it is a very voluminous discovery that needs to get to be reviewed over a very short period of time; an aggressive period of time, shall we say. I don't think that's possible for one attorney to do that. I would ask that one of my suite mates who is on the CJA panel you assign -- Mr. Joyce -- to co-counsel with me. I mean, it just seems rather -- I can say I could do it but I don't see how I could go through a million documents.

THE COURT: Well, this is what I'm going to do. I'm going to invite you to consult with Jerry Tritz and if you want to come forward with some sort of a budget or plan and get to me quickly with what you're seeking approval of at what rate after talking to Jerry Tritz, I will act on it quickly.

MR. TOUGER: The only --

THE COURT: Go ahead.

MR. TOUGER: I didn't want to cut the Court off.

The only problem is I don't have any of the discovery yet, to come up with a plan.

THE COURT: Well, when I say a plan this is what you can do. You can, once I approve this and appoint you, you can meet with Mr. Blais and Mr. Blais can bring you up to date. I have to know what I am approving. What I am not very big on is, with regard to CJA counsel it is, in essence, a blank check, of course subject to the rules of the CJA plan. But, with regard to whatever other assistance I need to know something.

MR. TOUGER: The only thing you would be approving, your Honor, and that I can say at this point is to have two lawyers working on the case reviewing the documents and representing Mr. Galanis. If at some point in time that became unnecessary, obviously -- whoever that co-counsel would become, would no longer be necessary. But, there is no -- after talking to both the government and the other lawyers that were here today, there is no way that I could be -- get through all of these -- just if you did the math there is no way to get through these documents in time to do any of the schedule that the Court has outlined as one person. I just don't see how that's possible.

THE COURT: All I am saying, Mr. Touger, and you have a very fine reputation in this district and that simply is you will have to send me some particulars.

MR. TOUGER: No problem. I will talk to Mr. Tritz and see what he needs from me.

THE COURT: And let me know what I am talking about or what you are talking about so I can intelligently exercise discretion.

MR. TOUGER: No problem, your Honor.

THE COURT: Okay.

MR. TOUGER: I will meet with Mr. Blais as soon as possible and we will take it from there.

THE COURT: Okay.

MR. TOUGER: I assume we can do that by letter? We don't need to appear in court?

THE COURT: Exactly correct.

So, let me just --

MR. TOUGER: By the way, one last question.

THE COURT: Yes. Go ahead.

MR. TOUGER: It wasn't discussed today. How long is the trial supposed to last? I know it is to start April 11th. How long will it last?

THE COURT: I had been told two to three weeks; is that correct.

MR. BLAIS: We advised the Court four weeks.

THE COURT: Okay.

MR. BLAIS: I have heard from some of the CJA counsel that the Court had been speaking to that they were told two or three weeks. I'm not sure where that impression came from. We told the Court four weeks.

MR. TOUGER: I just wanted to have it.

THE COURT: Thank you.

That's a good question to ask.

MR. TOUGER: Is that just for the government's case? Four weeks?

THE COURT: It is your good faith estimate of what you think the trial is going it take?

MR. BLAIS: Yes. Obviously that may move depending on whether there are resolutions with certain defendants but the best estimate would be four weeks.

(pause)

THE COURT: All right. So, I'm going to enter an order here, David Touger is appointed pursuant to the Criminal Justice Act subject to any obligation on the part of John Galanis to repay or make installment payments.

Mr. Galanis, you are now represented by counsel, Mr. Touger is appointed and Mr. Ryan, do you have an application?

MR. RYAN: I have an application to be relieved as counsel of record for Mr. Galanis, your Honor.

THE COURT: Any objection, Mr. Galanis?

DEFENDANT JOHN GALANIS: No, your Honor. None.

THE COURT: Any objection, Mr. Touger?

MR. TOUGER: No, your Honor. And just so the record is clear, Mr. Galanis is no longer proceeding pro se, I am counsel of record and not standby counsel.

THE COURT: That is absolutely correct.

Mr. Galanis, as of now, is no longer pro se, he is represented by you, Mr. Touger, and I am granting, without objection from Mr. Galanis, Mr. Ryan's application to be relieved as standby counsel and also as counsel of record.

So, with the thanks of the Court, Mr. Ryan, for being here today, you are relieved and we will do an order to that effect so it is clear on the docket.

MR. RYAN: Thank you very much, your Honor.

THE COURT: Thank you, Mr. Galanis. Thank you Mr. Touger. Thank you Mr. Blais.

If there is nothing further, we are adjourned.

DEFENDANT JOHN GALANIS: Thank you, your Honor.

MR. TOUGER: Thank you, your Honor.

MR. BLAIS: Thank you, your Honor.

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